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DD/S 66-0554

29 JAN 1965

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Control of Agency Communications

1. This memorandum is for your information and is in response to your request at the Executive Committee Meeting on 29 November 1965 for justification for the Agency's control of its own communications.

2. Attached hereto is a memorandum from the Director of Communications setting forth the relations of the Agency to the National Communications Management, together with the basic responsibilities of these two establishments. Further, there is set forth the justification for the Agency's control of its communications system, together with examples of Agency communications performance exemplifying the need for Agency control of its own communications.

3. As can be seen from the attached, our relations with Lt. General Alfred Starbird and the NCS are extremely good; we have followed the policy of participating in all aspects of planning with the NCS to the fullest possible degree without impinging upon the security of our communications and our clandestine operational communications program. This has worked well and has proved quite practical and feasible for our respective interests under the concept espoused by General Starbird of the continued separate existence of the individual communications systems of the NCS.

4. With regard to the Director of Telecommunications Management who is also the Special Assistant to the President for Telecommunications (SAPT), we have a good working relationship and at this point have not encountered any practical difficulties which might adversely affect the Agency communications system. He has been very helpful, for example, in connection with reciprocal radio rights matters which directly affect our overseas installations. He also has, as indicated in the attached memorandum, a primary role with respect to the NCS including the review before Presidential action of major NCS proposals such as the annual long-range plan. It has been indicated that the earlier void with respect to the budget and fiscal aspects of the NCS might be filled through issuance of a government-wide directive

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supplementing Bureau of the Budget Circular 66-3 as it relates to programming of the telecommunications system. As preliminarily drafted by the staff of the DTM, the directive would require establishment of a separate budget category identifying in detail Agency telecommunications support and DTM/SAPT prior approval of new programs exceeding one million dollars. The Departments of Defense and State, which informally received copies of this draft paper, have objected strongly, pointing particularly to the financial control considerations. Should the directive ultimately be issued, the Agency would be faced with the same control considerations and the dilemma of separately identifying the telecommunications portion of its completely integrated system which satisfies operational requirements of all Agency components as well as providing its telecommunications.

5. Our policy should be that, consonant with NSAM 252 and the Presidential Directive of 21 August 1963, we will cooperate to the fullest degree possible in the national good of achieving systems compatibility without jeopardizing the control and security of our communications system. At the point where this control and security are jeopardized, we must necessarily make our position with the Bureau of the Budget, the White House or other national authorities. Should any developments occur pertinent to the above, you will be promptly advised.

SIGNED R. L. Bannerman

R. L. Bannerman
Deputy Director
for Support

2 Attachments:

Att 1: Memo dtd 26 Jan 66 for
DD/S fm D/CO, same subj.

Att 2: Brief of Incidents Demonstrating
Unique Capabilities of CIA
Communications System

DD/S:RLB:hrm (28 Jan 66)

Distribution:

Orig - Adse w/o atts 1 & 2 (for return to DD/S)
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MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Control of Agency Communications

1. This memorandum is for your information and is in response to your request for a statement of reasons why it is imperative for the DCI to control the Agency's communications system. As necessarily related subjects, information is also provided on the development of the National Communications System and on indications of intent of national level communications authority to obtain control of the Agency's system.

2. Review of the Development of the National Communications System

a. National Security Action Memorandum No. 252, dated 11 July 1963, which authorized the establishment of the National Communications System, states: "A National Communications System (NCS) shall be established by linking together, implementing, and extending on an evolutionary basis the communications facilities and components of the various Federal agencies." Subsequently, on 21 August 1963, the President sent a memorandum to the heads of Executive Departments and Agencies which, for the most part, was identical to NSAM 252. The first sentence of the Executive Memorandum was different, however, and read as follows: "In order to strengthen the communications support of all major functions of the Government, there is a need to establish a unified Governmental communications system which will be called the National Communications System (NCS)." The 21 August memorandum also established the following responsibilities:

(1) The Director of Telecommunications Management shall be responsible for policy direction of the development and operation of a national communications system. In this capacity, he shall also serve as a Special Assistant to the President for Telecommunications.

(2) The Bureau of the Budget in consultation with the Special Assistant to the President for Telecommunications will prescribe general guidelines and procedures for reviewing the financing of the NCS within the budgetary process and the preparation of budget estimates by the participating agencies.

(3) The Secretary of Defense was designated as the single Executive Agent for the NCS.



(4) All agencies were directed by the President to cooperate with and assist the Special Assistant to the President for Telecommunications and the Executive Agent in the performance of the functions set forth above.

b. The Secretary of Defense implemented NSAM 252 by designating the Director, Defense Communications Agency, Lt. General Alfred D. Starbird, as the Manager, National Communications System. The first two tasks assigned to the Manager, NCS were (a) identify those major Governmental communications assets which should be included now in the NCS as subsystems or components of the NCS; (b) prepare recommendations as to which Government Department or Agency should be responsible for installation, operation, maintenance, modification (including budgeting and funding responsibilities) of each subsystem or component identified in (a) above. In completing each of these tasks, the Manager, NCS recommended that the CIA and the Department of State be identified as major operating components in the NCS and that each operating component continue to be responsible for operating, budgeting and funding of its own network. The CIA, in conjunction with the Department of State, submitted for inclusion in the NCS those circuits that processed staff communications traffic. To avert the disclosure of CIA assets and activities overseas, this network was identified as the "Diplomatic Telecommunications System." We excluded from submission all CIA circuits which were in exclusive support of Agency operations.

c. In an attachment to the 21 August 1963 Presidential memorandum, a requirement was established for submission to the President for approval an annual long-range plan. This annual long-range plan provides for: "Updating objectives and requirements to be met by the NCS, identifying requirements not fully met, and recommending further modifications and improvements as necessary." The Agency made its contribution to the first long-range plan, covering the years 1965 through 1969. The items included by CIA consisted essentially of the major modifications and improvements planned by us as an operating component and the identification of mutual service provided by the major operating agencies. The years 1966 and 1967 will be skipped, and the second long-range plan, which is now in the process of being developed, will cover the period 1968 through 1973.

d. Under the management of General Starbird, the NCS and the Defense Communications Agency have become more responsive to the needs of the civil agencies. A more equitable NCS circuit restoration priority system for providing continuity of service has been established. There has been some standardization of communications operating procedures, and the NCS has served as a coordinating point in such areas as automatic switches, secure voice networks, and LDX.

e. No action on the part of the Manager or Executive Agent, NCS has indicated that the National Communications System should become a single entity. On the contrary, the continued separate existence of the individual communications systems of the NCS, major operating agencies and other U. S. Government communications operating organizations has been a basic policy of these officials. Elimination of unjustifiable duplication for insuring maximum interconnectability for maximum National use has been the major objective.

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f. CIA has thus far participated to the extent possible in the spirit and intent of the National Communications System by detailing a senior officer to serve as the Agency's representative on the NCS staff, coordinating in planning, participating in the completion of all tasks assigned to the Manager, NCS, providing funding information and utilizing Defense Communications System trunking facilities to the extent possible.

g. It would be accurate to say, however, that thus far there has been no change in the development of the Agency's communications system that can be directly attributed to requirements levied upon it by the Manager of the NCS, nor would there be any change in our system if the NCS was abolished.

3. Indications of Intent to Obtain Control of CIA's Communications System

a. There is apparently no cause for concern from the approach taken by Lt. General Alfred Starbird, Manager, NCS, who has consistently supported the concept that "each operating component continue to be responsible for operating, budgeting and funding for its own network."

b. Recently, however, the Director of Telecommunications Management has circulated for comment a draft DTM directive to all concerned as a follow-on to the Bureau of the Budget Bulletin No. 66-3, dated 12 October 1965, which directs the introduction of an integrated Planning-Programming-Budgeting System in the Executive Branch of the Government. This draft directive would require each department or agency to establish within its over-all program (budget) a Program Category or a Program Subcategory grouping which will consolidate the telecommunications support requirements of the agency. Under this concept, CIA telecommunications requirements for funds and manpower would not only be submitted as a part of its normal budgetary presentation but would also be furnished to the Executive Agent, NCS. The Secretary of Defense, as Executive Agent for the NCS, would be responsible for consolidating the telecommunications programs of all participating agencies and submitting them to the DTM. Programming data pertaining to the NCS would be submitted to the Executive Agent as part of the NCS long-range plan. It is also contemplated that any new program objectives of any agency that have not been approved in prior years will be submitted for policy approval by the DTM where the aggregate five-year program costs are expected to exceed \$1 million.

c. Although the draft DTM directive referred to above has been opposed by almost all interested parties, we have been advised that it is still very much alive. The intended requirement that detailed budgetary information relative to the Agency's telecommunications system be submitted for review, and policy approval in certain instances, by the DTM is the first concrete indication of a possible dilution of control of the Agency's communications system.

4. Why CIA Must Control its Communications System

a. Although it is obvious that there are increasing pressures toward a greater unification of communications systems on a national level, these, for the

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most part, have been directed towards assurance of operational compatibility and the nonduplicatory establishment and operation of circuits and facilities. It is difficult to contest these worthwhile objectives, and within certain limits we are prepared to provide essential information relative to our staff communications programs to the NCS and DTM; however, this Agency should oppose strongly any plan leading towards actual operation of any part of its network, be it base or field station facility, by any other organization for the following reasons: 25X1

(2) We must fulfill the Director's statutory responsibilities under Section (d)(3) Public Law 253, "The National Security Act of 1947," that: "the Director of the Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure." This requires complete privacy for Agency communications.

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(3) A primary mission of the Office of Communications is to provide highly specialized communications support to the clandestine services. Almost without exception, the personnel and facilities to provide this support are deployed and protected [redacted] 25X1

(4) The Agency's facilities in support of staff and clandestine communications are completely integrated.

(a) Our base radio stations, strategically located around the world have the dual mission of performing the relay function for official traffic and providing base station support of Agency clandestine operations.

(b) The personnel and facilities at our field stations must also have the capability of providing training and other communications support to clandestine activities in addition to their primary mission of processing official traffic. The same personnel, radio equipment and antennas are used interchangeably in support of both missions.

(c) Agency communicators are recruited, trained and, through career guidance, developed into generalists who are highly qualified in all aspects of Agency communications. It is unique

in Government communications to have individuals trained to install and operate all types of radio and cryptographic equipment and possessing the skills to communicate by CW or more sophisticated techniques to one or more base stations or with an agent.

(c) The Agency has historically been required to react quickly to provide communications support in crisis situations. We have been successful in meeting such requirements because of our ability to rapidly redeploy well-qualified personnel from noncrisis areas. Normally such personnel are otherwise engaged in staff communications work.

(e) If the staff communications function was performed by any other Agency, a clandestine communications organization would be required to support our unique requirements. The personnel and facilities of this organization would be largely duplicatory.

(5) The only possible substitute would be a specified military system or the over-all Defense Communications System. Hard experience has consistently demonstrated the inability of military communications systems to provide the speed and quality of service mandatory for Agency traffic. The comparatively small size of the Agency system and the "professionalism" of its communications personnel make military competition for results almost impossible.

5. From the foregoing it is also apparent that it would be extremely difficult for the Agency to isolate, on a program basis, its telecommunications costs. Because of the complete integration of personnel, facilities and logistics, any specific allocation of costs between staff and clandestine communications support would necessarily be arbitrary.

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Director of Communications

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